

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments

Program Level - 040 Div of Developmental Disab

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

Postage rates have increased by 8.8 percent due to a United States Postal Service (USPS) rate increase for first-class mail. This step funds the difference between the \$.34 rate and the new \$.37 rate, which went into effect June 30, 2002.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 040			
001-1 General Fund - Basic Account-State	12,000	12,000	24,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	11,000	11,000	22,000
Total Cost	23,000	23,000	46,000

Staffing

Package Description:

The USPS increased the rate for first-class mail to \$.37 from the former rate of \$.34 on June 30, 2002. This effects business costs beginning July 1, 2002.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This decision package meets the agency balanced scorecard goal of communicating effectively about services and outcomes to clients.

Performance Measure Detail

Goal:

Incremental Changes
FY 1 **FY 2**

Reason for change:

This request comes in response to the USPS first-class postage rate increase that went into effect June 30, 2002.

Impact on clients and services:

Communications between clients and programs are a routine and essential part of doing business. Clients expect written responses to their inquiries and concerns. Other areas impacted by the postage rate increase are payments to clients and notices to clients required by law.

Impact on other state programs:

All programs within the Department of Social and Health Services are impacted.

Relationship to capital budget:

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None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

The US mail is considered accessible to all clients and an efficient means of communication. Other forms of communication or remittance of payments such as electronic banking and e-mail are not accessible to the majority of the department's clients or may require revisions to state laws.

Budget impacts in future biennia:

This is a one-time increase that will carry forward into the 2005-07 Biennium Budget.

Distinction between one-time and ongoing costs:

This item is an ongoing operational cost. There are no one-time costs associated with this request.

Effects of non-funding:

Non-funding will result in the erosion of the ability of the agency to communicate with clients and remain responsive to constituent needs. If not approved, funds will have to be diverted from programs or services to cover costs.

Expenditure Calculations and Assumptions:

Estimated Fiscal Year 2002 expenditures for Object EB are used as the base for calculating the Fiscal Year 2004 and Fiscal Year 2005 increases for this step.

See attachment - AW M2-8P Postage Rate Adjustments.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 040 Objects			
E Goods And Services	23,000	23,000	46,000

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DSHS Source Code Detail

Program 040		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	12,000	12,000	24,000
<i>Total for Fund 001-1</i>		12,000	12,000	24,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	1,000	1,000	2,000
19UL	Title XIX Admin (50%)	10,000	10,000	20,000
<i>Total for Fund 001-C</i>		11,000	11,000	22,000
Total Program 040		23,000	23,000	46,000